

Before the State of South Carolina
Department of Insurance

In the Matter of:

National Association of Business Owners)
and Professionals, International Workers Guild)
d/b/a International Workers Association,)
IWG Health and Welfare Fund, the Fidelity Group, Inc.,)
Fidelity Claims Management, Eugene Duncan, Dwayne)
Samuels, Carol Samuels, Alice Askew, Rodney Simmons,)
David Spanow, Hugh Green, D. Alexis Samuels, Yvonne)
Duncan, Phillip S. Hodgson, David Spooner, Noel Shaw,)
Terrence Rhue, Ken Averies, Clair Hammond, Lee Taylor,)
Bruce Ryals, Charles Bradley, Paul Askew, Herbert)
Williams, Martin Gietler, John Branham, Branham,)
Gietler & Associates, Steven Broughton, John L. Collins,)
Rex Culbertson, Robert Davies, Richard Dextraze,)
Kenneth Every-Andrews, Frankie Fort, Robert German,)
Gary Gietler, Melissa Gietler, George Gradek,)
Earl Isabell, Stephen Lacy, Wendy Lucarelli,)
Michael Massey, Henry , Frederick Malone,)
Tina Messinger, Raymond Olivi, Michael Requa,)
Bruce Rowan, Pamela Regopoulus, Joseph Sarolea,)
Barbara Scott, Henry K. Skinner, Stanley Stein, Elmer)
Stone, Michael Thomas, Scott Todd, Kenneth Tallmadge,)
Lewis Wade, David White, Jack Wilson, Robert Massey,)
Arnold Valentine, David E. Martin, Richard Finaldi,)
Anderson & Associates Insurance Company,)
Bouris El-Idrissi, Ron Rowland, Henry Brown, III,)
Michael Gietler, Richard M. Vann, Anchor Insurance)
Agency, Truett & Associates, Michael O. Benke,)
Ben Wells, The Taylor Agency, Inc., Wayne Morris,)
GE Insurance Marketing, LTD., Executive Consultants)
Insurance Agency, Legend Equities Corporation,)
Interstate Administrative Services, National Employees)
Union Health and Welfare Fund, National Employer)
Benefit Association, and National Employees Union, *et al.*,)
)
)
Respondents.)

**Consent Order Dismissing
Legend Equities Corporation
and Closing Investigation File
Number 1999147-004-003-4-0**

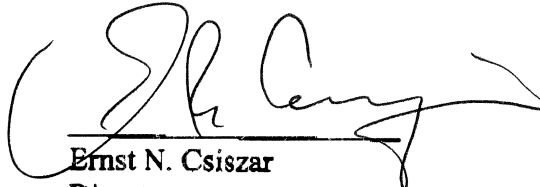
This matter comes before me upon motion of the Department and counsel for Respondent Legend Equities Corporation (hereinafter "Respondent") to dismiss that Respondent from any administrative action in the above-captioned action. The Respondent was listed in this action because the Department had obtained evidence that the Respondent had been employed by the Fidelity Group, *et al.*, as a marketing representative. The Respondent provided the attached affidavit as testimony in this action. The Department does not have any evidence at the present time to refute the representations made in the Respondent's sworn statement. That affidavit is attached as Exhibit A and is incorporated by reference into this document as if fully set forth verbatim herein. The Respondent affirms that it has reviewed this affidavit and that its contents accurately reflect its testimony.

The Respondent specifically agrees that should any subsequent investigation reveal that the factual basis for this dismissal as set forth in the attached affidavit is not materially accurate (e.g., that the Respondent marketed this product within the State of South Carolina), the Respondent agrees to the summary revocation of its license without any further proceedings by this Department.

After considering the recommendations of the parties and under the discretionary authority provided to me by the State of South Carolina within §§ 38-43-130 and 38-2-10, I hereby accept those recommendations and issue this order.

By the signature of one of its authorized officers upon this Order, the Respondent acknowledges and understands that this order is a public record subject to disclosure under the provisions of the South Carolina Freedom of Information Act, S. C. Code Ann. § 30-4-10 *et seq.* Nothing contained within this administrative order should be construed to limit, or to deprive any person of, any private right of action under the law. Nothing contained within the administrative disciplinary order should be construed to limit, in any manner, the jurisdiction of any law enforcement or judicial officer. Nothing within this administrative disciplinary order should be construed to limit the statutory duty pursuant to S.C. Code Ann. § 38-3-110 of the Director of Insurance exercised directly or through the Department of Insurance to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the laws relative to the business of insurance or other provisions of this title which he considers necessary to report."

It is hereby ordered, subject to the conditions expressly stated herein, that the Respondent be dismissed from any action involving the Fidelity Respondents and that Investigation File Number 1999147-004-003-4-0 be closed. This order becomes effective upon the date of my signature below.


Ernst N. Csiszar
Director

Dated this 24 day of February, 2000

I CONSENT:
Legend Equities Corporation

By: 

Signature of Officer

February 18, 2000
Date

3920 RCA Boulevard
Address
Suite 2004

Palm Beach Gardens, FL 33410

AFFIDAVIT IN SUPPORT OF A STIPULATION TO DISMISS

State of Florida }
County of Palm Beach }

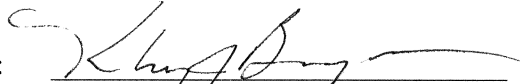
BEFORE ME, the undersigned authority, personally appeared KELLEY J. BOWMAN, who being duly sworn, deposes and says:

1. I, KELLEY J. BOWMAN, am the Vice President and Compliance Officer of Legend Equities Corporation ("Company").
2. Legend Equities Corporation, at no time, has ever marketed products mentioned, referred to, or otherwise at dispute in the investigation no. 1999147-004-003-4-0 filed by the South Carolina Department of Insurance (hereinafter, the "Fidelity Products"), concerning Fidelity Group, Inc., IWG/IWA, IWG Health and Welfare Fund, or NABOP (hereinafter, collectively "the Fidelity Organizations").
3. Legend Equities Corporation, at no time, has ever referred prospective insured(s) to the Fidelity Organizations for the purpose of securing life and accident and health and other insurance coverages.
4. Legend Equities Corporation, at no time, has ever marketed the Fidelity Products.
5. Legend Equities Corporation, at no time, has ever assisted the Fidelity Organizations with the solicitation, negotiation, procurement and effectuation of insurance or renewals thereof.
6. Legend Equities Corporation, at no time, has ever assisted the Fidelity Organizations with the dissemination of information as to coverage or rates.
7. Legend Equities Corporation, at no time, has ever taken or received applications for the Fidelity Products.
8. Legend Equities Corporation, at no time, has ever received or collected premiums, commissions, membership fees, assessment dues or other consideration for sales or solicitation of sales of the Fidelity Products.
9. Legend Equities Corporation, at no time, has ever assisted the Fidelity Organizations in evading the insurance laws of the State of South Carolina.
10. Legend Equities Corporation, at no time, has ever contracted with or secured payment from Branham, Gietler and Associates.
11. Jack E. Wilson was an independent contractor of Legend Equities Corporation. Mr. Wilson's relationship with Legend Equities Corporation commenced on October 27, 1995 and terminated on July 23, 1997.



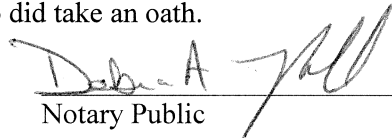
12. Legend Equities Corporation, at no time, authorized Mr. Wilson to sell, within the scope of his relationship with Legend Equities Corporation, any of the Fidelity Products.
13. Legend Equities Corporation, at no time prior to the notification of the class action suit, Gunnells, et. al. v. Fidelity Group, Inc., et. al., case no. 2:98-2659-23, filed in the U.S. District Court in South Carolina, had knowledge that Mr. Wilson, solicited or sold any of the Fidelity Products.

FURTHER AFFIANT SAYETH NOT.

BY: 
KELLEY J. BOWMAN
Vice President and Compliance Officer
Legend Equities Corporation

The foregoing instrument was sworn to and acknowledged before me this first day of September, 1999, by KELLEY J. BOWMAN, Vice President and Compliance Officer of Legend Equities Corporation, who is personally known to me and who did take an oath.

My commission expires May 4, 2002.


Notary Public

